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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Dairy Division

Market Administrator
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Issued For Information of Producers

Who Are Not Members of Cooperative Associations

Vol. III, No. 8

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August 1959

JULY BASE PRICE \$4.01

Dairy farmers will receive a base price of \$4.01 for July 1959 deliveries of Grade A base milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The base price is based upon a butterfat test of 3.5 percent, and will be adjusted by a differential of 7 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This price is 23 cents higher than the June base price, and 52 cents higher than the base price of a year ago.

JULY EXCESS PRICE \$2.93

July 1959 deliveries of Grade A excess milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order will be paid for at the rate of \$2.93 per hundredweight for 3.5 percent milk, and adjusted by the same differential of 7 cents as is used for base milk. These minimum prices are subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge. For comparative purposes, a uniform price of \$3.86 per hundredweight was computed. This price is 24 cents higher than the June 1959 computed uniform price and 46 cents higher than the computed uniform price of July 1958.

PRODUCER RECEIPTS

Production has taken quite a drop in July on a daily basis, as compared with June. One of the reasons for this decrease is the loss of about 55 producers on the market. The decrease in number of producers follows a pattern throughout most the country of can producers converting to bulk tank or going off the market, and in this instance, they have left the market. Handlers do not realize the full benefit of bulk tank producers until all their producers are bulk tank, and they can eliminate the receiving room and the can washer. A few handlers have changed to all bulk tank producers, and the can shippers have had to find a market elsewhere.

CLASS I SALES

The Class I sales have remained steady for the month of July, as compared with June, but show an increase of 54 percent over a year ago. For the month of August 1959, we will be able to compare August sales with a year ago on a comparable basis, because of one full year's statistics under the expanded marketing area.

CLASS I PRICE

The Class I price for the August 1959 delivery period will be \$4.25 per hundredweight for 3.5 percent milk. This price was computed by adding \$1.30 per hundredweight to the average price of the 12 condenseries in July 1959 (\$2.93) and adding the supply-demand adjustment of 2 cents. The supply-demand adjustment for the September 1959 delivery period will be a plus 8 cents.

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UTILIZATION AND CLASSIFICATION OF MILK

	July 1959		July 1958	
	Reported Data		Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
CLASS I				
Milk	14,181,335	500,327	8,976,035	317,119
Skim Milk	191,182	554	112,837	573
Fortified Skim Milk	1,256,749	25,899	1,058,943	21,135
Buttermilk	211,051	1,798	145,527	968
Flavored Milk & Drink	411,857	10,864	199,071	5,303
Cereal Mixture	305,550	38,353	260,262	32,263
Coffee Cream	29,908	6,034	15,781	3,159
Whipping Cream	35,414	13,198	17,596	6,088
Sour Cream	22,693	4,420	14,923	2,877
Total Class I Utilization	16,645,739	601,447	10,800,975	389,485
Add: Class I Shrinkage	65,515	6,890	83,823	3,106
Subtract: Other Source Receipts	54,420	1,638	19,856	1,038
Subtract: Overage	--	--	119	119
Net Class I	16,656,834	606,699	10,864,823	391,434
CLASS II				
Used to Produce Cottage Cheese	1,257,436	13,419	1,583,924	15,821
Subtract: Other Source Receipts	79	79	19	19
Subtract: Overage	--	--	--	--
Net Class II	1,257,357	13,340	1,583,905	15,802
CLASS III				
Class III Products	3,088,012	151,025	4,486,291	203,833
Inventory Variation	(229,908)	(11,671)	(87,353)	(4,049)
Total Class III Utilization	2,858,104	139,354	4,398,938	199,784
Add: Class III Shrinkage	183,819	11,609	102,850	9,465
Subtract: Other Source Receipts	136,571	17,269	122,181	9,458
Subtract: Overage	7,176	92	493	22
Net Class III	2,898,176	133,602	4,379,114	199,769
TOTAL PRODUCER RECEIPTS	20,812,367	753,641	16,827,842	607,005

MISCELLANEOUS INFORMATION

	July 1959	June 1959	July 1958
Total Production	20,812,367#	23,221,706#	16,827,842#
Average Daily Production	671,367#	774,057#	542,834#
July 1959 Prod. Compared With -	--	- 13.27%	+ 23.68%
Number of Producers	1,209	1,264	993
Daily Herd Production	555#	612#	547#
Av. Test of Producer Milk Received	3.62112%	3.57668%	3.07147%
Av. Price 3.5% Milk	\$ 3.86*	\$ 3.62*	\$ 3.40*
Base Price 3.5% Milk	\$ 4.01	\$ 3.78	\$ 3.49
Excess Price 3.5% Milk	\$ 2.93	\$ 2.91	\$ 2.92
Chicago 92 Score Butter	\$.58026	\$.57974	\$.57750
Class I Sales	16,645,739#	16,081,671#	10,800,975#
Class I Daily Average	536,959#	536,056#	348,419#
July 1959 Sales Compared With -	--	+ 0.17%	+ 54.11%
Total Value Paid Producers	\$820,076.39	\$853,757.72	\$585,427.69
Av. Monthly Milk Check Per Farm	\$ 678.31	\$ 675.44	\$ 589.55
Av. Daily Milk Check Per Farm	\$ 21.88	\$ 22.51	\$ 19.02
Producer Butterfat Differential	\$.070	\$.070	\$.069

* This Price for Comparison Only

